GOVERNMENT OF INDIA
CHEMICALS AND FERTILIZERS
LOK SABHA

UNSTARRED QUESTION NO:3576
ANSWERED ON:12.12.2000
HAJIRA EXTENSION PROJECT
RAOSAHEB PATIL DANVE

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether it is a fact that Hajira Extension Project of KRIBHCO has not been finally approved till date;

(b) if so, the reasons therefor; and

(c) the time by which it is likely to be approved?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI SATYA BRATA MOOKHERJEE)

(a) to (c) : The proposal of Krishak Bharati Co-operative Ltd. (KRIBHCO) to set up a ammonia urea expansion project at its existing Hazira complex in Gujarat at an estimated cost of Rs.1318 crore, with an annual urea capacity of 7.68 lakh tonnes has already been approved 'in principle' by the Government, along with three other public/co-operative sector urea projects, subject to investment appraisal by the Public Investment Board (PIB). Investment appraisal of all these four urea projects was undertaken by the PIB in July 1999. In June 2000, a proposal for taking a final investment decision on the project was considered and deferred by the Government. This proposal was formulated taking into account the observations of the PIB regarding the viability of the projects, desirability of encouraging use of liquefied natural gas as feedstock to reduce the incidence of subsidy and the need to stagger implementation of the proposed projects due to limited demand supply gap forecasts.